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From: energy@morningconsult.cpro30.com
Sent: Mon 9/28/2015 12:25:17 PM
Subject: Morning Consult Energy: Corker Wants White House to Consult With Senate Before Paris Talks; Shell to Halt Arctic Drilling

By [Colleen Leahy](#)

Today's Washington Brief

- In a letter to Secretary of State John Kerry, Senate Foreign Relations Committee Chairman Bob Corker (R-Tenn.) questioned whether the hoped-for climate accord in Paris later this year will be dealt with as a formal treaty, and asked for an explanation if the answer to that question is no. Corker said the Obama administration is legally and constitutionally obliged to “engage in meaningful conversations with the Senate” as it prepares for the climate summit. ([National Journal](#))
- The House passed legislation that would prohibit governmental agencies from considering the social cost of carbon during the construction permit application process. Seven Democrats joined Republicans to pass the measure 233-170. ([The Hill](#))
- The federal government won't be shutting down, according to House Appropriations Committee Chairman Hal Rogers, who said he expects the House to pass a Senate spending bill that will fund the government through mid-December. And in energy, there will be hearings on federal forest management, transporting nuclear materials and more. ([Morning Consult](#))

Today's Business Brief

- Royal Dutch Shell said it will end exploration in Arctic waters after results from an exploratory well were unsuccessful. The company's CEO said that while Shell will continue to consider the Arctic strategically important for exploration, it will halt activities “for the foreseeable future” due to the disappointing results. ([The Associated Press](#))
- The Environmental Protection Agency said it would start including real-world road tests and check for emissions-falsification software, a big change from its previous practice of relying mostly on compliance statements from auto manufacturers and some lab testing. EPA's announcement comes after regulators in Europe and Brazil announced similar plans to step up their emissions testing protocols following the Volkswagen scandal. ([The Wall Street](#))

Journal)

- Microsoft has an internal carbon tax, the funds from which go into an investment fund for sustainability projects. The company isn't alone in this practice; internal corporate carbon pricing is a recent trend, with 437 companies using internal carbon pricing this year, up from 150 in 2014. (The New York Times)

Today's Chart Review

The Cost of Carbon: Putting a Price on Pollution
Bloomberg View

Mark Your Calendars (All Times Eastern)

Monday

FERC settlement conference for Public Service Co. of Colorado @ 10 a.m.
NRC All Employees public meeting @ 1:30 p.m.
EESI briefing on offshore wind in the U.S. and Europe @ 2:30 p.m.
World Resources Institute film screening of *Ethiopia Rising: From Red Terror to Green Revolution* @ 3 p.m.
Pew discussion on energy security and the DOD @ 3:30 p.m.
Columbia Center on Global Energy Policy discussion of Iranian oil post-sanctions @ 6 p.m.

Tuesday

AWEA Offshore WINDPOWER conference @ 8 a.m.
Wilson Center talk on decarbonizing China's power sector @ 9 a.m.
Senate EPW hearing on Obama's air agenda and the economy @ 10 a.m.
House Natural Resources oversight hearing on federal forest management @ 10:30 a.m.
Carnegie Endowment discussion of problems with Japan's plutonium production @ 12:30 p.m.
EESI briefing on state compliance with the Clean Power Plan @ 1 p.m.
NRC meeting with Dominion Virginia Power to discuss North Anna Power Station Part 72 license renewal @ 1 p.m.
Senate EPW Fisheries, Water and Wildlife Subcommittee briefing w/ state governors on the Endangered Species Act @ 2 p.m.
House Natural Resources Indian, Insular and Alaska Native Affairs Subcommittee legislative hearing on federal recognition extension @ 2 p.m.
Brookings forum on natural resource management @ 2 p.m.
Sen. Commerce hearing on pipeline safety @ 2:30 p.m.
Senate Foreign Relations hearing on U.S.-China relations @ 2:30 p.m.

ICF webinar on PJM's capacity auction @ 2:30 p.m.
Atlantic Council discussion on nuclear energy in China @ 3:30 p.m.
FERC scoping meeting for Northeast Energy Direct Project in Rindge, New Hampshire @ 6 p.m.

Wednesday

AWEA Offshore WINDPOWER conference @ 8 a.m. in Baltimore
NRC teleconference on the Watts Bar Nuclear Plant with TN Valley Authority @ 9 a.m.
Senate EPW oversight of Army Corps of Engineers' involvement in redefining Waters of the U.S. rule @ 10 a.m.
House Natural Resources oversight hearing on state authority over resource management and energy development @ 10 a.m.
Columbia Center on Global Energy Policy Women in Energy lunch @ 12 p.m.
Wilson Center workshop on visual media for environmental nonprofits @ 12 p.m.
Greater Houston Partnership presentation on the crude oil ban @ 12:30 p.m.
Clean Energy States Alliance webinar on the energy storage market @ 1 p.m.
AWEA webinar on blade design technology @ 2 p.m.
Wilson Center discussion on algae and climate change @ 3 p.m.
FERC scoping meeting for Southeast Market Pipelines Project in Valdosta, Ga. @ 6 p.m.

Thursday

WRI discussion of climate change and the global economy @ 8:30 a.m.
NRC overview of low-level waste, spent fuel storage and transportation business lines @ 9 a.m.
Politico conversation: *America's Energy Agenda: What's Next?* @ 9 a.m.
Senate Small Business hearing on the Gold King Mine spill's effects on small businesses @ 10 a.m.
FERC hearing for Guttman Energy Inc. and PBF Holding Com @ 10 a.m.
USEA presentation of Shale Gas Innovation Contest winners' work @ 10 a.m.
Bipartisan Policy Center talk with Southern Co. CEO Tom Fanning on energy innovation @ 10:30 a.m.
Environmental Law Institute public seminar on the pope's position on climate change and economic disparities @ 12 p.m.
Columbia Center on Global Energy Policy conversation with Zhang Guobao on China's energy future @ 5 p.m.

Friday

FERC hearing for Guttman Energy Inc. and PBF Holding Com @ 10 a.m.

General

House passes bill to limit environmental review process
Cristina Marcos, The Hill

The House passed legislation on Friday to streamline the environmental review process for infrastructure projects. Under the measure, federal agencies would only have to use one environmental impact statement and one environmental assessment as required by the National Environmental Policy Act.

EPA, Foreign Regulators Crack Down on Emissions Over Cheating Revelation
Amy Harder and Jason Chow, The Wall Street Journal

The U.S. Environmental Protection Agency, in a letter to auto manufacturers, said it plans to road-test vehicles, rather than primarily rely on statements from auto makers and some laboratory testing. The agency also indicated it would check for the presence of software designed to trick emissions testing.

Clinton explains shift on Keystone, other key issues
Jonathan Easley, The Hill

Clinton once said that she was “inclined” to sign off on the project because the U.S. was “either going to be dependent on dirty oil from the Gulf or dependent on dirty oil from Canada.” “When I made that statement years ago, we did not have the kind of energy profile that we now have,” Clinton said. “We did not have the full understanding of how the particular oil that would have been extracted from those tar sands was of a different degree of dirtiness and polluting in terms of greenhouse gasses.”

Microsoft Leads Movement to Offset Emissions With Internal Carbon Tax
David Gelles, The New York Times

When Microsoft business unit managers calculate their profits or losses each quarter, they consider more than just sales and expenses. They also factor in the price of carbon. Even more radically, the business units are charged an internal tax by Microsoft based on their energy usage.

The Coming Week: Shutdown Averted as Lawmakers Mull Boehner Resignation
Fawn Johnson, Morning Consult

The House Natural Resources Committee will hold several hearings on environmental topics. The Subcommittee on Federal Lands will hold an oversight hearing on federal forest management on Tuesday. The full committee will hold a hearing titled “Respecting State Authority in Regards to Resource Management and Energy Development” on Wednesday.

Lawsuit challenges limits on industry that aim to save bird
The Associated Press

Two Nevada counties and some mining companies want a court to block new restrictions on mining, energy development and grazing that are meant to protect a declining bird species across millions of acres of the American West. The case appears to be the first challenge to the Interior Department's declaration that it can protect the greater sage grouse without hobbling the region's economy.

Obama: U.S. backs UN sustainability goals

Zachary R. Dowdy, Newsday

President Barack Obama Sunday said the United States has fully adopted the UN's 17-point agenda of global goals designed to eradicate extreme poverty and other forms of human suffering while conserving the environment.

Boehner Resignation Could Yield Productive Fall

Will Dobbs-Allsopp, Morning Consult

Republicans in Congress started to realize Friday they have a clearer path to finishing a host of must-pass agenda item than at any point in recent months. Boehner, liberated from the political challenge of keeping his own job, will spend his final weeks in office free of the intra-party feuding that has consumed the House Republican Conference for the past couple months. That could pave the way for a flurry of votes on otherwise controversial legislative deadlines.

Stocks Slide as Glencore, VW Buffet Global Markets; Bonds Climb

Nick Gentle and Daniel Tilles, Bloomberg News

European stocks and U.S. equity-index futures slid as tumbling automakers and mining companies sent ripples across global markets. In the U.S., Standard & Poor's 500 Index E-mini futures expiring in December fell 0.7 percent after the gauge slid for a second week.

Oil & Natural Gas

Oil prices fall on slowing global economic growth outlook

Amanda Cooper, Reuters

Oil prices fell on Monday, paring some of last week's 2 percent rally, despite evidence of slowing U.S. production and a fourth weekly increase in U.S. investor holdings of crude futures.

Shell says it will cease Alaska offshore Arctic drilling

Dan Joling, The Associated Press

Royal Dutch Shell will cease exploration in Arctic waters off Alaska's coast following disappointing results from an exploratory well backed by billions in investment and

years of work. The announcement was a huge blow to Shell, which was counting on offshore drilling in Alaska to help it drive future revenue.

California Board Backs New Limits on Carbon From Gas and Diesel **Ian Lovett, The New York Times**

California air regulators on Friday approved a substantial cut to carbon pollution from gasoline and diesel fuels, a move that will force oil producers to reduce the amount of carbon generated by all transportation fuels in the state at least 10 percent by 2020. The action, coming two weeks after a stinging defeat for Gov. Jerry Brown's planned 50 percent cut in petroleum use by 2030, signaled his administration's determination to press forward with an aggressive environmental agenda through the regulatory process rather than by legislation.

North Dakota postpones deadline for natgas flaring rules **Ernest Scheyder, Reuters**

North Dakota regulators on Thursday gave the energy industry 10 extra months to reduce the amount of natural gas burned off at oil wells, acquiescing to industry worries that construction delays have made it all but impossible to meet existing targets. Regulators in the No. 2 U.S. oil producing state stopped short of approving the full two-year extension sought by companies grappling with the steepest price downturn in years.

Alaska's Walker brushes aside reserves tax criticism **The Associated Press**

Gov. Bill Walker on Friday brushed aside criticism from Republican lawmakers that they were blindsided by his call to reinstate the gas reserves tax during the upcoming special session. Walker said the tax is not meant to be punitive, only to spur movement on the natural gas pipeline project, estimated to cost between \$45 billion and \$65 billion. However, it remains only in the preliminary design stage, and the four partners have not decided whether to build it.

The \$12 Billion Reason BP Isn't Worried About a Hostile Takeover **Bradley Olson and Laurel Brubacker Calkins, Bloomberg News**

Oil giant BP Plc, which was said to be readying defenses for potential takeover offers, has a little-known ace in the hole: a disclaimer in its Macondo spill settlement that could tack \$12.6 billion onto the price tag. A potential buyer might be forced to accelerate the payment of as much as two-thirds of the \$18.7 billion in penalties the company agreed to pay the U.S. and several states, according to company filings.

Oil's Killing U.S. Power Generators, And They Don't Even Burn It **Mark Chediak and Naureen Malik, Bloomberg News**

The glut of crude pooling up around the world has cut oil prices 23 percent in three months, and overseas natural gas supplies linked to crude are so cheap that America's gas exports can't compete. Traders speculating that more of the power-plant fuel will just remain in the U.S. have sent gas futures to the lowest seasonal level in 14 years.

Utilities & Infrastructure

SPP begins coordinating with states on Clean Power Plan compliance

Robert Walton, Utility Dive

The Southwest Power Pool is the first regional transmission organization (RTO) to openly engage state air regulators on Clean Power Plan compliance. SPP intends to revisit the cost estimates associated with compliance, and stressed to member states that a regional approach could be about 40% cheaper than a state attempting to go it alone.

Indiana watchdogs: 'Our fears are coming true' on utilities and efficiency

Kari Lydersen, Midwest Energy News

More than a year after Indiana lawmakers repealed the state's energy efficiency standard, utilities are scaling back their efforts while — advocates argue — seeking to overcharge ratepayers for their plans.

Renewables

State solar users would lose savings if proposal is OKd; SolarCity describes 'catastrophic' future

Ivan Penn, Los Angeles Times

Utilities contend that rooftop solar owners — often wealthier homeowners, who can afford the high upfront installation costs — haven't been paying their fair share of the cost of maintaining power lines, transformers, substations and power plants. Edison, San Diego Gas & Electric Co. and Pacific Gas & Electric Co. have proposed plans that include reducing compensation to rooftop solar owners for the electricity they generate and adding monthly fees of as much as \$3 for every kilowatt of capacity they own.

Coal

What Germany learned from its war on coal

Annett Meiritz, Vox

The country offers a cautionary tale on why going green isn't always as smooth a ride as thought, and its *Energiewende* can offer some valuable lessons for the United States. The crucial part of Germany's energy transition was supposed to be phasing out coal, a major contributor to climate change. But that turned out to be much harder than anyone thought.

Nuclear

Tough times, no easy answers for Pilgrim Nuclear Power Plant

David Abel and Beth Healy, The Boston Globe

The federal Nuclear Regulatory Commission this month downgraded the safety rating of the 43-year-old plant in Plymouth, which it now rates as one of the three least-safe units among the nation's 99 reactors. The multimillion-dollar repairs now required could deal a death blow to Pilgrim, and in so doing, inflict significant damage to the state's effort to cut its carbon emissions — an effort that now relies heavily on nuclear power.

Climate

Top Senate Republican Demands Obama Disclose Plans for International Climate Change Negotiations

Ben Geman, National Journal

Sen-ate For-eign Re-la-tions Com-mit-tee Chair-man Bob Cork-er is press-ing the Obama ad-min-is-tra-tion to re-veal its plans for the in-ter-na-tion-al cli-mate-change ac-cord that na-tions hope to reach in Par-is late this year. In the let-ter ob-tained by Na-tion-al Journ-al, Cork-er asks wheth-er the ad-min-is-tra-tion plans to treat the hoped-for ac-cord as a form-al treaty that would be sub-mit-ted to the Sen-ate for ap-prov-al—and for the reas-on-ing if the an-swer is no.

Pope Francis: Harm to the Environment Is Harm to Humanity

Clare Foran, National Journal

The pontiff de-clared that “any harm done to the en-vir-on-ment there-fore is harm to hu-man-ity”—re-marks made while speak-ing through a trans-lat-or. Fran-cis also dove dir-ectly in-to the polit-ics of cli-mate change, ex-press-ing op-tim-ism that a strong agree-ment will be reached later this year at U.N. cli-mate talks set to be held in Par-is, a sum-mit widely viewed by en-vir-on-ment-al-ists and world lead-ers as a make-it-or-break-it mo-ment in the fight against glob-al warm-ing.

U.S., China Announce Climate Steps, \$3.1 Billion Contribution

Colleen McCain Nelson and William Maudlin, The Wall Street Journal

The U.S. and China on Friday announced significant steps in their efforts to combat climate change, including a pledge by China to launch a program by 2017 to cap some emissions and put a price on carbon and to contribute \$3.1 billion to help poorer countries finance their own transition programs. The announcements showed the two countries' latest strategies for reaching emissions targets and their efforts to boost an international accord to reduce global carbon-dioxide emissions, which is meant to be wrapped up in December.

Limited Progress Seen Even as More Nations Step Up on Climate
Justin Gillis and Somini Sengupta, The New York Times

The pledges that countries are making to battle climate change would still allow the world to heat up by more than 6 degrees Fahrenheit, a new analysis shows, a level that scientists say is likely to produce catastrophes ranging from food shortages to widespread extinctions of plant and animal life. Yet, in the world of global climate politics, that counts as progress.

Yet another survey suggests the climate change 'debate' is settled among scientists
Chelsea Harvey, The Washington Post

Using responses from nearly 700 biophysical scientists, a survey published Thursday in the journal Environmental Research Letters finds that approximately 92 percent of them believe that human-caused climate change is really happening. "These results show again that climate science is trusted, is mature, is reliable," said Stuart Carlton, a coastal ecosystem and social science specialist at Texas Sea Grant (formerly at Purdue University, while the survey was being completed) and the study's lead author.

Opinions, Editorials & Perspectives

The Francis climate homily
Barry Rabe, The Brookings Institution

Preparing for the future is never easy. But attempting to mitigate climate change essentially means seeking behavioral changes in the near term (more costs, some adjustments) to increase the prospect that future generations might have a better future (and reduce costs in the long-run). Given what we know about the behavior of political officials and aspirants, why would anyone want to go near this issue? And then there was Francis.

The Sage Grouse Switcheroo
Editorial Board, The Wall Street Journal

The Interior Department decided last week not to classify the greater sage grouse as

an endangered species, ending five years of deliberation. Some are hailing this as thought-to-be-extinct government restraint, but it's really political cover for other plans that will do as much or more economic harm.

Volkswagen's new CEO must tackle the 'culture of arrogance'
Doron Levin, Fortune

Matthias Mueller who was appointed Volkswagen AG's chief executive officer on Friday doesn't have an easy job. As a result of the diesel emissions scandal, which forced Martin Winterkorn to resign, VW faces a welter of legal sanctions and civil lawsuits, 11 million diesel vehicles that don't meet emissions standards, as well as the looming risk that consumers will boycott its vehicles.

How will the Obama administration's Clean Power Plan affect Metro areas?
Thomas Young and Alexandria Icenhower, The Brookings Institution

Meeting the carbon reduction targets will be left to the states, but Brookings Fellow Adie Tomer, Senior Fellow Robert Puentes, and Senior Research Assistant Joseph Kane argue that "metro areas should also be a big part of [the Clean Power Plan] discussion."

Research Reports, Issue Briefs & Case Studies

The climate change consensus extends beyond climate scientists
J S Carlton et al., Environmental Research Letters

The extent to which non-climate scientists are skeptical of climate science has not been studied via direct survey. Here we report on a survey of biophysical scientists across disciplines at universities in the Big 10 Conference. Most respondents (93.6%) believe that mean temperatures have risen and most (91.9%) believe in an anthropogenic contribution to rising temperatures. Respondents strongly believe that climate science is credible (mean credibility score 6.67/7). Those who disagree about climate change disagree over basic facts (e.g., the effects of CO₂ on climate) and have different cultural and political values.

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